COMPTRICLIER'S OFFICE, 
ALEANY, December 31, 1851. 
In pursuance of the requirements of law, the Comptroller respectfully submits to the Legislature his Annual Report.

This report, by the 1st section of chap. 350 of the Laws of 1847, is directed to be made before the expiration of the current calendar year, and for the year ending on the 30th of the previous September, that it may be presented to the Legislature immediately after the commencement of its annual session.

The funds of the State have from time to time been divided as follows:—
The General Fund.
The Canal Fund.
The Common School Fund.
The Literature Fund.
The United States Deposit Fund.
Besides the Gragolium have the following

The United States Deposit Fund.

Besides the foregoing, we have the following
Trust Funds:—
The Bank Fund.
The Mariners' Fund.
The Tonawanda Railroad Sinking Fund.
The Auburn and Rochester Railroad Sinking

The Hudson and Berkshire Railroad Sinking Fund.
The Long Island Railroad Company Sinking

The Tong Ceal, fron Mining and Manufacturing Company Sinking Fund.

The School and Gospel Fund of the Stockbridge

The School and Gospel Fund of the Stockering Indians.

The fund for paying the interest on the bonds issued by the New York and Eric Railroad Company; and Indian Annuities.

The ordinary expenses of the State government are paid out of the General Fund. Its nature and objects are defined and regulated in part 1, chap, title 1, pages 198 to 211 of the Revised Statutes, 3d edition.

The statement next following shows the receipts and payments into and from this fund, during the past fiscal year; and the next succeeding statement shows the general condition of the Treasury for the

same period:-	2000	HILVING
GENERAL FUN	ND.	
REVENUE.		
Balance in the Treasury on the		
	\$54,421 28	3
Amount received into the Trea-		
a cury on account of the General		
Fund, during the year ending		
en the 30th September, 1851,		
	859,175 48	
Amount transferred from the		
General Fund Debt Sinking		
Fund, for interest on moneys		
advanced from the Treasury		
to meet the demands on that	Linear arms	
fund	5,807 68	3
Amount transferred from the		
School Fund for bonds for		
- lands received during the year		
belonging to the general fund,		
transferred to the School		
Fund	0,848 75	
Amount of warrants drawn on		
the Treasury, remaining un-		
paid on the 30th Sept., 1851	482 91	
	and the state of	\$925,83
Amount of warrants drawn on		
the Treasury on account of		
L the General Fund, during the		
year ending on the 30th Sep-		
tember, 1851, (see statement	890.840 39	
	050 940 98	
Amount transferred to the fel-		
lowing funds for interest on		
Febool Fund\$11.476 37		
U. B. Deposit Fund 6.429 21		
Bank Fund 959 25		
Dank Fund	18.864 83	
Amount of warrants drawn on	20,002 00	
the Treasury which remained		
uppaid on the 30th Septem-		
ber. 1850	277 01	0
	1000	910.08
	10	
Balance of revenue in the Treasu		
30th September, 1851		\$15,75
STATE OF THE TRE	ASURY.	
Balance in the Treasury on the		
30th Sentember, 1860 \$	508.932 26	1

mount of warrants drawn on Amount of warrants drawn on the Treasury, on account of the several funds, (see state-ment B) during the year end-ing on the 36th Sept., 1851... 2,301,526 50 Amount transferred to the Su-perintendent of the Banking Department, being the balance in the Treasury belonging to the Bank Fund, on the 28th June, 1851... 20,019 to

June, 1851... Amount of warrants drawn on the Treasury, remaining un-paid on the 30th Sept., 1850... 26 919 50 277 01 Less amount of warrants drawn on the Trea-sury, remaining unpaid on the 30th Sep-tember, 1851...

2,328,240 10 

306.079 E4 To the Literature Fund : Capital ...... \$3,063 78 Revenue ...... 10,351 80 13.415 58 To the U. S. Deposit Fund : 144,223 79

To the U. S. Deposit Fund:
Capital ... \$34.429 92
Revenue ... \$38.6 21

To the Marinere' Fund ... 14
To the Railread Sinking Funds, viz:
Auburn & Roch'ter, \$6,801 17
Tonawanda ... \$46 07
Leng Island ... 13 60
Tioga coal, &c ... 268 57 To the General Fund revenue... 7.524 21 15,753 87 526.813 12

From the General Fund Debt Staking Fund. \$45,683 41 From the Treasure, for balance in the Treasury. 481,129 71 526 813 12

These statements show that the expenditures from the General Fund exceeded its income, the past fiscal year, \$38,767 41.

During the year ending 30th September, 1850, the payments from this fund exceeded the receipts by \$58,757 94, adding another item to the mass of testimony found in our records, of the constant tendency of the appropriations to overreach the revenues of the State. But as the fiscal affairs connected with the general fund are now organized, a dency of the appropriations to overreach the revenues of the State. But as the fiscal affairs connected with the general fund are now organized, a reasonable certainty is attainable as to income. The sum receivable from the Canal Fund is fixed: that to be derived from taxation can be ascertained with considerable exactness; and the auction duties and minor sources of revenue, applicable to this fund, do not vary so much, from year to year, as to subject the appropriating power to very serious difficulty. But so numerous are the objects of utility or State pride soliciting pecuniary aid, and such the increasing strength and the prosperous condition of the State, that it requires a vigorous condition of the State, that it requires a vigorous and manly firmress, to keep within the bounds
which a rigid and faithful guardianship of the public money would seem to impose. Detailed statements of the receipts into the treasury and the payments therefrom, are found in the appendix marked
A and B.

A subject closely connected with our State finances, and one of most commanding interest, is taxation. How to so equalize the pressure of the public burthens, as to do strict justice to all who aid in sustaining them, has always been a matter of anxious inquiry in enlightened governments. The general principles we have decided on, appear to be approbated by the great body of tax payers: a watchful attention to points of detail is indispensable, if we would perfect the system already adopted. The amendment passed ast winter to our assessment law, among its other good effects, has excited a spirit of active inquiry on the part of our assessors, in regard to particular points of their efficial duty.

The position of these officers has been for many A subject closely connected with our State finan-

The position of these officers has been for many years past, one of grievous embarrassment—While urged, on the one hand, by high moral considerations, to the conscientious performance of a duty not only important in its consequences, but imposed upon them by the solemanty of an official oath, they were restrained on the other, by a full conviction that a rigid performance of that duty would inevitably lend to great injustice. Their deviations, therefore, from the strict rules of apparent right, had at least the apology that they were made upon the principle of solf-defence; and, under all the circumstances of the case, it is not surprising that this was generally considered by them as the "first law." It is exceedingly gratifying, however, that there appears to have been, since the passage of the act above referred to, a determination among there officers throughout the State, with few exceptions, to abandon, as by general content, the demoralizing and victous practice of greatly undervaluing real property, and to make their estimates of it, by, perhaps, the safest and best matured, because the most uniform, rule that can be adopted, at what, in their rober judgment, they believe to be in the language of the act—"its full and true value." The Comptroller begs leave to direct the attention of the Logislature to some points embraced, or waren should be embraced, in our assessment is as, and which are The position of these officers has been for many

brought to his mind by the various inquiries made of the department, during the past season.

Accompanying these inquiries of assessors, there has almost always been a request that they might be furnished with the pamphlet containing the latest laws regulating assessments. No such compilation or pamphlet exists. Such an one, with some few additions, would go far to secure and perfect the practical improvements so well begun during the past season. It is not only exceedingly desirable that such a manual should be placed in the hands of these officers, but a more general distribution, in an acceptable form, of laws so directly concerning every citizen in the State, would seem to be among the very first duties of those having the direction of these affairs.

One of the subjects of taxation on which information has been sought, is

RAILROADS.—There are several considerations connected with the assessment of railroads, which deserve, and will, no doubt, soon receive, the attention of our Legislature. The amount expended in their construction is already very great, and centiaually increasing. The expenditure of this immense capital in this manner, much as it may benefit the community by increasing the value of propoperty, facilitating the trade and commerce of the country, and enhancing and extending the pleasures and benefits of social intercourse, does not, however, exonerate it from liability to just and reasonable taxation. In what manner these taxes should be imposed, to be thus just and reasonable, may not be easily determined. Some metho should be devised for ascertaining their full and true value. Then a question arises, as to the nature of the property to be assessed, and where it should be assessed, and in what manner.

That the fair and true value should be put apen this, as well as any other property, real or personal, admits perhaps of no serious doubt; but neither the stock which may have been created by the company fer its construction, nor the actual cost of the road, determine its value. Some of our

whom, then, shall their true value be estimated? Certainly this cannot be conveniently or satisfactorily done by the assessors of the towns which may be interested in this question. Shall the duty be assigned to county or State officers; shall some individual or body of individuals be charged with this duty; or shall the returns from the corporations be made the ground of precedure in the matter? If the latter, it becomes important that the law be reviewed in regard to the facts to be embraced in those returns, and measures taken to secure the punctual distribution of those facts among the boards of assessers.

punctual distribution of those fasts among the boards of assessers.

As to the kind of property to be assessed in the respective towns through which a railroad passes, there may be some diversity of opinion. Hitherto, the personal property of the corporations has been assessed where the principal business of the com-

pany has been done.

In addition to money in hand, our railroad companies all have a greater or less sum vested in cars panies all have a greater or less sum vested in cars and engines. These machines are used continually on the road in its whole length, and not like the goods of a merchant, or the capital of a bank, in some eneplace exclusively. There are various reasons why it is more practicable to diffuse the benefits of this tax among a large population, making many towns instead of one, the recipients of whatever advantages result from it, than it is thus to diffuse the tax on the property of some other corporations.

By adding the value of the engines and cars to that of the road, in making the valuation, and distributing the tax on the aggregate among the towns, school and highway districts along the line, towns, school and highway districts along the line, one of the annoying inequalities of our system of taxation is avoided.

taxation is avoided.

The manner in which the tax should be levied, deserves some thought. The town or district in which heavy expenditures in depots, or upon structures of various kinds, have been made, almost invariably claims an excess of tax corresponding with the excess of such outlay; so also where much more earth is used or occupied on account of the road, an increase of tax is claimed for that reason.

And again, when the road passes in a direct line an increase of tax is claimed for that reason.

And again, when the road passes in a direct line through a town, such town will complain of a rule apportioning the tax by the length of the line of road, because other localities gain largely by that rule in consequence of the windings and curvatures which very much lengthen the line within such locality.

cality.

After some reflection on this subject, the Comp-After some reflection on this subject, the Comptoller has come to the conclusion that the railroads in the State should be estimated at their "fall and true value," as property generally is directed by law to be estimated; that the moveable or personal property of the corporation should be added, (excepting, perhaps, the money on hand,) to the value of the railway itself, and that the road thus estimated should be assessed in the respective towns and school and highway districts, in proportion to the length of the line of road within such town or district.

district.

Insurance Companies — Uniform and precise rules do not appear to be followed by the Foards of Assessors, if such rules are prescribed by our laws in reference to taxing these companies, especially such as are conducted upon the plan of mutual in-

surance.

It will be recollected that, in the last report from

such as are conducted upon the plan of mutual insurance.

It will be recollected that, in the last report from this department (page 8), allusion was made to the unpaid taxes levied on several insurance companies in the city of New York, amounting, in all, to upwards of \$100,000. A suit against a Buffalo insurance company, involving the questions in dispute, as to the liability of such companies, was pending and in progress, at the time the adjustment referred to in the above mentioned report, was effected.

That suit received its final adjudication by the Court of Appeals during the past senson; the court deciding, among other things, that all the property of the company was taxable, which, in case of insolvency, would pass into the hands of a receiver.

The opinion of the court in this case, not having been published by the reporter, and involving, as it does, a matter of public interest, is appended to this report, marked 1., 96.

After this decision, it was supposed such of the companies above referred to as were solvent, would pay the sums charged against them upon the books of the Comptroller. One company only, the Atlantic Mutual, did so; paying into the Treasury \$16,914 98. After some hesitation, the other companies declined to pay, alleging generaly, as the Comptroller is advised, that the case above referred to, was imperfectly argued and considered, and the decision would probably be reversed on a more thorough examination. The matter is with the Attorney General, and new suits are understood to be instituted against several of the companies.

A diversity of opinion has heretofore prevailed, as to what should be taxed of the property of a mutual insurance company. Assessors are at a loss, not only whether they should be treated as debta against the makers, so far forth as to justify an exemption of so much other property from taxation. There is, within the State, a vast amount of this kind of indebtedness.

Plank Roads.—The same questions arise here as to the distribution of taxes among the towns thr

Phank Roads.—I he same questions after here as to the distribution of taxes among the towns through which they lead, as in the case of railroads. The question as to personal property applies with less force; still, as these roads are multiplying rapidly throughout our country, the propriety of definite legal enactments concerning them, cannot be displaced.

dsubted.

MoveABLE BANES.—A certain class of banks within our State, are engaged, from time to time, in changing their location. In many instances the removal of a bank is followed by a controversy in

regard to the taxes.
Difficulties also arise where a bank is withdrawing Difficulties also arise where a bank is withdrawing its disculation, and perhaps the securities which constitute its capital, from the Bank Department; and where, consequently, that capital or the true amount to be assessed, is continually varying. In both these cases, as well as it some others, there is an uncertainty as to the precise time when the bank becomes legally chargeable with the tax.

Whether the third Tuerday in August, which by section four of the act of 1851, is the termination of the time the assessment rolls are left, for examina-

section four of the act of 1851, is the termination of the time the assessment rolls are left, for examination, in the hands of one of the assessors, or some day thereafter, when the assessors, under the eighth section of the same act, shall have completed their roll, and made and subscribed the oath required: or the day on which the supervisor to whom the roll has been delivered, shall dispose of the same as directed in section 27, p. 447, R. S; or still later, when the supervisors, as required in section 37, p. 449, R. S, shall affix their hands and seals to the warrant, is the exact point of time when the tax may be said to attach to, or become a lien on, the property assessed; or whether the boards of assessors and supervisors have the right to give themselves the necessary space to perfect the rolls, are questions not known to have been adjudicated, and appear to be not definitely settled.

questions not known to have been adjudicated, and appear to be not definitely settled.

If the tax.against a bank is returned as unpaid, see 21, page 406, R. S., maker it the Comptroller's duty to hand over the claim to the Attorney General, who is required to institute proceedings before the Chancellor, &c if the convenience of the delay incident to these proceedings could be obviated, by requiring payment of the tax at once, by the hank Department, from the securities in the hands of the Superintendent, much of the evil now feit by the counties, and by this department, would be prevented or mitigated. The tax, if it should prove to have been wrongfully paid, might be refunded; if not, its prompt payment will have been right and proper.

right and proper.
Fannis - The owners of these franchises, in right and proper.

Ferrins — The owners of these franchises, in some cases, dispute the legal right to assess them. It by are not mentioned by that name, in the law, and it may be that assessors, feeling some doubt as to taxing a thing so untangible, have, for that reason, emitted them. Another, and a more operative reason probably is to be found, in an assessor's unwillingness to engage in a conflict of doubtful termination.

The dread of a legal contest on the part of public effects, as well unnecessor's and unserngulous men

braced, in our assessment law, and which are me Dot glow to avail themselves of it, in cases

where uncertainty exists as to what is, and what is | Interest on the State debt to create the not, the law.

not, the law.

Not only should the law be made to declare, explicitly, what property should be taxed, but the manner of enforcing the collection of that tax should be pointed out so clearly, that the officer need feel no heritancy or embarrassment in the performance of what the law requires of him.

Lines of Telegraph.—These establishments may or may not have been taxed; but the attention of the department having been called to them in one or two instances, and their numbers being on the increase, it is deemed proper to place them among the things deserving attention. They are mentioned with particular reference to the manner in which the tax should be collected in case payment is neglected or refused.

Gas Companies.—Very recently, an inquiry was

ment is neglected or refused.

Gas Companies.—Very recently, an inquiry was made of the Comptroller, by the assessors of a ward in one of our gas lighted cities, whether gas companies were liable to taxation, leaving the inference to be fairly drawn that one of the companies at least hai not been assessed.

Some of the questions here suggested may appear trivial and easily decided; but assessors are not often skilled in the subtleties of legal construction, and are, moreover, called upon to perform an arduous, a thankless, but a vastly important public duty. It is due to them that their path should be clearly marked, and relieved from all embarrassing impediments. Their duties are highly responsible and difficult, and when faithfully and conscientiously performed, no officer is better entitled to the guidance of plain and clearly defined legal enactments, than the assessor. than the assessor.

MISCELLANEUS SOURCES OF REVENUE MISCELLANGUS SOURCES OF REVENUE.
On reference to the last report from this department, at pages 7, 8 and 9, it will be perceived that several important seurces of revenue, uncertain as to the time of payment, and in some cases as to the sum which may be finally received, are there mentioned. Some account of the payments received, from these sources, and of their present condition, is deemed appropriate.

tioned. Some account of the payments received, from these sources, and of their present condition, is deemed appropritae.

1. The sum due the Treasury on the 30th September, 1850, for non-resident unpaid taxes of the years 1845, 1846, 1847, and 1848, was \$157,135; at the close of the discal year last past, it was not far from \$140,000. On the advances from the Treasury for the unpaid tax of 1849, there was then due \$55,319; there is now due on these taxes about \$47,000. There is still due on the tax of 1850 not far from \$54,000, making in all, say \$241,000; to which may be added, for accruing interest on the balances, say \$50,000.

2. Some of the lands in certain reservations in Eric, Cattaraugus and Allegany counties, it will be recollected, were reserved from the tax sale of 1848. The sum in question was computed last year at \$91,000. Whother the counties or other parties are legally bound to pay this tax remains still undecided. The claim has been in the hands of the Attorney General for about three years.

3. Of the \$25,000.78 due the treasury 30th September, 1850, for the amount allowed for the lands bought in by the State, for want of bidders, at the last tax sale, there has been received during the past fiscal year \$2,636 in each for first payments on the re-sales of the lands, and bonds taken for \$1,597.50 for other re-sales of the lands so bought in. As has been before remarked, on the re-sale of laxed thus bid in for taxes by the State, there is almost invariably a loss. This will not appear surprising when it is recollected that, in most cases, the former owners prefer abandoning the lands to paying the taxes upon them.

4. Taxes against several mutual insurance companies in the city of New York, to the amount of \$106,237.38, were admitted by the late Comptroller under the circumstances explained in his report above referred to, of which the sum of \$16,9498, has been since paid, including interest to the time of payment.

Another matter, bearing incidentally on the same subject is worth considering.

Another matter, bearing incidentally on the same Another matter, bearing incidentally on the same subject, is worth considering. Claims are made upon this department for the repayment of a considerable amount of taxes heretofore for many, perhaps thirty or forty, years paid on lands lying each side of the line which divides the counties of Lewis and Herkimer. This county line has never been run. It passes through a range of lots containing from 160 to perhaps 1,500 or mere acres each, for the distance of some 50 to 60 miles. The exact quantity of land in each lot, on either side of this line, is unknown. It is believed to have been in times past, and up to a recent date, erroneously estimated; and where this estimate is supposed to have operated injuriously to the tax-payer, he now

estimated; and where this estimate is supposed to have operated injuriously to the tax-payer, he now seeks remuneration.

The survey of a few lots is said to have demonstrated some of these errors; but the truth of this demonstration rests upon the presumption, that this county line must run a given distance from the east and west lines of the lots so surveyed, and must run, through its whole course, exactly parallel to those lot lines. So much certainty as will prevent future trouble cannot be well attained without actually runding this county line. This involves, perhaps, a greater expense than the Chief Engineer and Surveyor would willingly impose on the respective towns bordering on the line under the act.

The peculiar condition of the country interested,

The peculiar condition of the country interested, The peculiar condition of the country interested, and the propriety of acjusting the claim for overpaid taxes understandingly, when it is done, induces submission of the matter to the consideration of the Legislature. The Compuralier decunsit reasonable that the Legislature should direct the county line, from the north point of Oneida county to the south line of St Lawrence, between the counties of Lewis and Herkimer, to be surveyed and marked at the expense of the State, or of those counties. It would not then be unreasonable to call on the proprietors of lots where it is claimed overypayments of taxes have been made, to furnish evidence of the true quantities in the lots or tracts in question, before being reimbursed for former overpayments.

	ments.		
	ESTIMATED REVENUE AFFLICABLE TO THE GR FENSES OF GOVERNMENT FOR THE FISCAL YEAR ING ON THE 1ST OCTOBER, 1851.	R, COMME	
	State tax, after deducting the advances to		
	County Treasurers, for non-resident taxes	\$435,000	00
	Appropriation from the surplus revenues of		
	the canals, for support of government	200,000	
	Auction duty		00
9	Salt duty, after deducting the expenses of the	Barrie Barrie	
	Onondaga Salt Springs		80
	Arrears of county taxes and interest		00
	Tax on foreign insurance companies		00
	Pedlers' licenses		
	Fees of the Secretary's office		
	Fees of the Comptroller's office		
	Fees of the Clerk's office of the Court of		
	rees, of the Clerk's chice of the Court of	1.000	00
	Appeals	100	
	Tells on the Cayuga Lake Inlet	1.000	
H	Sales of lands	1,000	w
ä	Total	STO1 500	00
ğ	Total	£101,000	-

clerk hire.
Salaries of the Judges of the Court of Appeals
Falaries of the Judges of the Supreme Court
Salary of the Clerk of the Court of Appeals,
including clerk hire.
Legislature, compensation of members and

including clerk hire.
Legislature, compensation of members and officers.
Legislature, for contingent expenses.
Legislature, for contingent expenses.
Contingent expenses of the public offices including fuel for the State Hall and Capital, and stationery for the Legislature.
Printing for the Legislature.
Miscellaneous printing, engraving, &s.
Expenses of the Old State Hall.
Expenses of the State Hall.
Expenses of the State Hall.
Expenses of the State Cabinet of Natural History
Expenses of the State Library.
Capital Asylum, and support of insure convicts.
Orphan Asylum, New York.
Orphan Asylum, Prince street, New York.
Orphan Asylum, sother than in the city of New York.
Dispensaries, in
New York Dispensary.
Eastern Dispensary, New York.
Lood
Erocklyn Dispensary, New York.
Licol
Erocklyn Dispensary, New York.
Licol
Erocklyn Dispensary.
Licol
Erocklyn Dispensary.
Licol
Erocklyn Dispensary.
Licol
Erocklyn Dispensary.
Licol
Expenses of Refuge Western New York.
Licol

House of Refuge. Western New York... Scalety for the Reformation of Juvenile De-linquents. New York... Normal Schol for support and education of 

Eje and Ear Infirmary, New York. Eye and Ear Infirmary, New York.

Genesse Academy.

Renriselser Institute.

Buffalo Orphan Asylum.

Gouverneur Weelsyan Seminary.

Troy Hospital.

Hospitals, other than in the city of New York

Expenses of the State prisons.

Commissary's department.

Yestage of cfiledal letters.

Agricultural Societies.

Rent and taxes of the house occupied by the

Governer. Governor.
Apprehension of fugitives from justice ...... Apprehension of regulater from the definite and apprehension of criminals.

Compensation of the committee to examine the accounts of the Treasurer and the Camel and Banking Departments. nel and Banking Departments.
Cost of suit fees, &c.
Contingent expenses of the Court of Appeals
and of the Supreme Court.
Transportation of the session laws, journals,
and documents of the Legislature, &c.
Improvement of Rachet river.
Interest on the Albany Basin John.

neca lake.

For removing obstructions from the outlet of Cayuga lake.

Improvement of the Saranac river and lakes
For a water jet in the Capitol Park. Total ...... \$820 304 83

hausted. That amount has not been actually paie, but a further appropriation will be seen to be necessary.

The 1st see. of chap. 498, p. 929, Laws of 1851, appropriates "for printing session laws, journa's and documents for the Legislature,\$60,000." "For advertising, eagraving and mapping, and printing for the Legislature and departments \$20,000."

The Compiroller has not felt at liberty, under the first provision above quoted, to pay for engravings, although they might be intended for public documents. He is of opinion that the printing referred to in the second paragraph, refers enly to the printing of maps and engravings, which may be required for the State, whether such maps and engravings are designed for legislative documents or for other purposes.

Under this construction of the act, the appropriation falls short of paying the bills presented for maps and engravings, and printing them. Excepting a small sum reserved for paying current bills for printing the laws of the extra session, advertising, &c., in newspapers, the \$20,000 is paid out, and of course an additional appropriation will become necessary at the present session, applicable to engraving, and mapping, and printing for the Legislature and departments.

For the estimate of appropriations for the necessary expenses of government during the year commencing October 1, 1852, see appendix marked E.

GENERAL FUND DERT SINKING FUND.

GENERAL FUND DEBT SINKING FUND.

Receipts, viz:—
mount received that the Treasury during
the year ending 30th September, 1851, (see
statement A)...... 354 005 20 \$45, 683 41

Amount of the fund on the 30th September, \$21,089 91 The interest on \$488,290 94 of the State debt, due 1st July 1851, amounting te \$13,867 52, payable at the Manhattan Company, and chargeable to this fund, remained unpaid at the Treasury on the 30th September, the receipts of the holders of the steck not having been presented by that company. The actual amount of the fund, therefore, after deducting all the charges upon it for the fiscal year, is \$7,202 39

gen, is \$7,202 39

GENERAL FUND DEET AND SINKING FUND.

The items composing this debt will be found in the statement in the Appendix marked C.

The debt, it will be perceived, has been increased during the past fiscal year, \$30,000, for stock issued in pursuance of chap. 37 of the Laws of 1850, for the benefit of the Stockbridge Indians. The debt new amounts to \$6 329,693 32, including a principa of \$122,694 87, which, at 6 per cent per annum, would produce an interest equalling the annuities payable to sundry tribes of Indians, which annuities, as is elsewhere shown, are, in the aggregate, \$7.861 69.

The Sinking Fund of \$350,000 per annum, set

\$7.561 69.

The Sinking Fund of \$350,000 per annum, set apart from the Canal Fund to discharge the interest on this General Fund debt, has not proved heretofore sufficient for that purpose by \$3.071 37. This deficiency is not, however, increased by the addition of the above \$30,000 to the debt; inaspund as the paraphy of interest on that sum is

much as the payment of interest on that sum is charged upon the revenues of the General Fund.

The above deficit of \$3,071 37 is a charge on the Sirking Fund, and must be taken from the surplus of \$7,202 59, which is shewn by the statement to have been the actual available surplus the 30th September last.

The benefits to the revenue of this fund, suggested at page 18 of the report of last year, and which probably gave rise to the provision in the 1st section of chapter 498, page 934 of the Laws of 1851, are deserving, and would have received the attention of the department, under circumstances more favorable in the monetary world than have existed since the adjournment of the Legislature in July last.

July last.
For Contingent Debt, see Appendix C 2.

THE CANAL REVENUE FOR THE FISCAL YEAR.

THE CANAL REVENUE FOR THE FISCAL YEAR.

The silent but powerful operations of the State canals during the year past, have produced their munificent and unfailing effects, adding, thereby, another annual confirmation to those uniformly exhibited for more than a quarter of a century, of the wisdom of their projectors, and the well grounded faith of their friends.

The endeavor, by high wrought descriptions and eloquent declarations to set forth the vast benefits of these great works, has become almost a matter of supererogation; and although these canals are the result of human effort and skill, yet their stability and beneficence are becoming from year to year as confidently and undoubtingly relied on by all, as seed time and harvest, or the revolutions of the seasons.

as seed time and harvest, or the revolutions of the seasons.

During the year past, notwithstanding still further reductions of tolls, and that too on the articles principally depended on for the revenue, the canals have produced a gross income of \$3,722,163 11. A reduction of one quarter was made last spring on the tolls of wheat and flour, and more or less on many other articles. The revenue of the canals may not have suffered by the diminution of the tolls on these other articles last mentioned; the reduction in most cases may have operated to increase the quantity transported; but in regard to wheat and flour, it is at least problematical whether such has been the effect. At the former rate of tolls, the wheat and flour moved upon our canals during the past facal year, would have produced, in adaition to the revenues of the year as above stated, as nearly as can be now estimated, more than \$225,000.

It is not denied that, under ordinary circumstances,

\$275,000.

It is not denied that, under ordinary circumstances, other considerations than those of a mere yearly revenue, may properly exercise a controlling influence in adjusting a tariff of tolls—interests of a broader and higher character may of right be regarded; but the act of July last has introduced a new element into our system of canal management, or rather extended a former one, in a considerable deepers.

Contracts have heretofore been made for work and materials upon the canals, running through several years, depending for their fulfilment, on the part of the State, entirely upon the surplus revenue

part of the State, entirely upon the surplus levenue of the canals.

This liability of the surplus has, by the act above mentioned, been greatly enlarged; and already one million of dollars has been charged upon it, for morey advanced by individuals towards the completion of the works designated in the act.

In view of these, and of other probable future advances, it becomes a grave constitutional question how far the Canal Board, or the Legislature, are at liberty to consult other interests than those of actual accruing revenue, in the imposition or re-

of actual accruing revenue, in the imposition or remission of tolls.

The lean of \$1,000,000 above alluded to, was taken on the 19th of August last, at a premium of

taker on the 19th of August last, at a premium of \$9,716 75; nearly one percent, at an interest of expercent, payable on the let of January and July in each year, until the certificates are recenable, which will be in 1261, ten years from their inte. These canal revenue certificates were put in market at an unpropitious moment; the tringency in money matters having been nearly or quite as severe at that time as at any period of the season.

The fact that under such circumstances they

can nended a premiers, is an unmistakeable indi-cation of entire confidence in the revenue on which they rest, and that if, bereafter, they fall to com-

the canals, under proper management, to enlarge and finish themselves. RECEIPTS AND EXPENDITURES. ON ACCOUNT OF THE CANALS FOR THE FIRCAL YEAR ENDING SOTH OF SEPTEMBER, 1861. BY THE AUDITOR OF THE CANAL DEPARTMENT. Tolls from canals Receipts 33
Tolls from railroads 171,055 01 1,929 00 18,163 77 Payments.

For repairs on canals, viz:—
To superintendents of repairs.....\$682,598 82
Tocanal commissioners 44,024 05 2,356 78 5,277 63 832.253 51 \$2,889,909 60 75,476 69 \$2.814.432 91 1.850.000 00 The remainder of the revenues of the fiscal year applicable to the completion of the Erie canal enlargement, Black River and Genesee Valley canals \$964 432 91 CANAL DEBT. FROM THE BOOKS OF THE CAMAL DEPAR
Chemung canal
Chemango canal
Black River canal
Generee Valley canal
Oneiga River improvement
To provide for deficiencies under article 7
of the constitution 193,452 3 31,362 00 408,011 35 3.153.844 10

\$15.058.523.67 50.000 00 192,585 49 SINKING FUND FOR THE REDEMPTION OF THE CANAL DEET.

(Ann. 7, Sec. 1, of the Constitution.) From the Books of the Canal Department.

Balance on hand 30th September, 1850..... \$325,823 20

Received. vie:—

\$1,626,823 20 Paid, viz:—
For the redemption of canal stock, viz:—
7's of 1848. \$600 00
5's of 1850. \$29,009 91
5's of 1851. 44,000 00
Accrued interest. 177 05 \$573,786 96

For expenses of transfer office, viz:

To the Manhattan Company ... \$1,250 00
To Walter Mead, agent. ... 756 00
For account books, certificates, &c.... 34,829 53 Balance on hand 30th September, 1851..... \$1,626,823 20 Of the stocks cutstanding 30th September 

Leaving provided for, but not redeemed.... \$13,325 60 LITERATURE FUND. This fund consists of the following items, viz., State stock:— Pertificate No. 3537, loan under the act of 13th May, 1846, re-deemable 1st July, 1864, 6 per cent.
Certificate No 69. Black River
Canal loss, redeemable 1st
Japuary, 1851 5 per cent...
Certificate No. 28, Astor stock,
redeemable at pleasure, 5 per \$100,000 00 8,743 00 3.000 00 cent...
Certificate No. 137, loan under the act to provide for the deficiences in the sinking funds, redeemable lat July, 1855, 5½ per cent...

27,000 00 148,743 00 Comptroller's bonds:-Comptroller's bond No. 2, issued per chap.
226. laws of 1849, redeemable 1st July,
1866. 6 per cent.
Bank Fund stock:—
Certificate No. 338, stock issued on account
of the bank fund, redeemable 1st February,
1858. 6 per cent.
Insurance stock:— 64.700 00 49.913 34 Insurance stock:— 100 shares in the Albany Insurance Company. 6.000 00 Bank stock:—
23 shares in the Canal Bank Albany......
Money in the treasury.....

\$272.880 12 Balance in the treasury on the 30th September, 1850....... \$14,078 53 Amount received into the treasury during the year ending, 30th September, 1851, (see statement A.).... 54,588 77

Ameunt paid cut of the treasury, during the year ending 30th September, 1851, (see statement B.)..... The revente of the specific part of the revente of the specific part of \$14,503 23 Appropriation from the income of the U.S. Deposit Fund.....

Expenses for the same period (see appropriations,) viz:
Dividends to academies \$40,000 00
Books, maps, &c. for academies 3000 00
Meteorological observations 1,500 00 \$44,500 00 A balance of \$10.351 80 belonging to the revenue of this fund remained, as will be seen, in the Treaury, at the close of the fiscal year.

It will be observed that the estimate of expenses

28.000 00

42,503 23

in the foregoing statement, are actual appropri-ations, and that they exceed the revenue by about It requires no argument to show that excessive ppropriations from these funds, unless provisions made for reimbursement will lead soon to serious

nconvenience. COMMON SCHOOL FUND. This fund consists of the following items, viz: This fund consists of the following items, viz:

Bends for lands \$552,435 30
Bends for Irans 2009,034 72
Lean of 1792 379 50
Lean of 1848 3.543 46
Lean of 1840 49,325 00
Etate stock:
Certificates Nos 22 and 40, issued
cn account of the Astor debt.
redeemable at pleasure, 5 per cent \$41,755 91 cent.
Certificate No 1, issued for Chenargo canal loan redeemable lat January, 1851, 5 per cent.
Certificate No. 250, issued for loan to re-build the Chemung canal feeder locks, redeemable lat January, 1861, 5 per cent. \$41,755 91 20,000 00 1.445 05

per ceni.... 150,000 00 Comptroller's bonds:—
Bonds issued for loans to the
Treasury, payable on demand,
6 per cent.

Bonds issued per chap. 225, laws
of 1845 redesmable in 1806, 6
per cent..

Bonds issued to the College of
Physicians and Surgeons. New
York the payment of which
has been sare med by the trustees of Union College, 6 per
cent. 213 100 96 \$701,645 49 320 300 00 12 038 16 cent ..... .... .... .... .... - 1,034,931 65 Eark stock : One thousand theres in the Man-hattan Company, at \$50 each Morey in the freezery......

50,000 00 112 548 13

REVENCE.
Balance in Treasury on the 30th of September, 1850.
Amount received in the Treasury during the year ending 30th Sept., 1851, (see statement A).

Amount transferred from the general fund revenue for interest on moneys in the Treasury belonging to the school fund, during the year, per Amount paid out of the Treasury during the year ending 30th September, 1851, (see statement B)..... The revenue of this lund is estimated rent year, viz :—
Interest on bonds for lands.
Interest on loans to towns, counties, &c.
Interest on loans of 1792 and 1808.
Interest on loans per act of 1849.
Interest on State stock.
Interest on Comproller's bonds.
Dividends on bank stock.
Interest on money in the Treasury. Appropriation from the income of the U.S. Deposit Fund..... The increase of this fund during the past Attorney General, appended to this toport, and marked Z.

The sum due the city of New York has not been Certificate No. 1 of the Chenango Canal loan, as mentioned in the above statement of capital, was presented for redemption, and was redeemed, on the lat of October last. the 1st of October last.

In the estimate of payments from this fund for the current year, the dividends for common schools are put down at \$300,000.

For the detail of the increase and diminution of . the capital of this fund during the past fiscal year, see statement F. UNITED STATES DEPOSIT FUND This fund consists of the following items, viz:—

Loans on mortgage in the several counties, State stock, redeemable 1st Jan, 1856, 5 142 500 00 1.100 00 

\$137.524 97

285.071 00

11.476 37

461 78

\$434 533 2D

200 00 2,590 00 9,660 00 63 000 00 4,090 00 10,000 00

\$135.880 QQ

165,000 00

\$300.200 00

\$4,014,520 71 6.425 21 sury..... \$258 705 02

Balance in the Treasury on the 241.961 39 in the loans under foreclosure of mortgage and failure of 1.982 00

461 78 Balance of revenue in the Treasury on the 

Interest on the loans on mortgage in the several countries.

Interest on Etale stock.
Interest on Compirciler's bond.
Interest on Compirciler's bond.
Interest on compirciler's bond.
Etale of lands. 7.191 00 11.084 00 4.000 00 3.000 00

\$252,275 00 Estimated payments for the current year, viz:

Common schools. 5,165,000 00

Amount to be added to the capital of the

Behool Fund. 25,000 00

Academies. 28,000 00

Indian school. 10,150 00

Indian schools Journal, (including \$600 due for 1881). 2,600 00

Academies for the instruction of common school teachers\* 22,000 00

For diminution in the loans under foreclosure of mortgage. 2,000 00 Estimated payments for the current year, viz :

"Under section 4, act of 1851, chap. 530.

\$255,850 00

\*Under section 4, act of 1851, chap. 530.

No unusual change has taken place in the affairs of this fund during the past year. From the revenues of the fund, the sum of \$1,982 has been applied to keep good the principal, this being, strictly speaking, a trust fund, for the original amount of which, being \$4,014.501 71, the State holds it self responsible to the United States government, whenever called upon for it. Of this fund, \$3,651,-751 35 is loaned on mortgage, to persons in the different counties of the State, through the Commissioners of the Deposite Fund.

Owing, sometimes, to defective titles, but more frequently to over estimates of the value of the property mertgaged, losses have from time to time been sustained. These overvaluations are not always the effect of careleseness, or design, or defect of judgment. Many of them can be clearly traced to depreciations, caused by the changes constantly

to depreciations, caused by the changes constantly taking place in our great throughfares and in our various business establishments and relations. As the management of these loans becomes better understood, and real estate gradually acquires a more known and fixed value, the losses, it is hoped, will be still less serious.

be still less serious. Considered as a mere question of finance, it may Considered as a mere question of finance, it may be doubtful whether the State could not as prefitably vest the fund in public stocks; yet the investment in mortgages has a value not to be disregarded in the benefit derived by the citizens from the redit thus extended to them.

The sum of over three and a half millions, in the hands of our enterprising business men, forms no contemptible auxiliary to their wealth producing nower.

ducing power.

Instead of delaying the use of this fund, till its Instead of delaying the use of this fand, till its accumulations have reached an amount rendering in apportionment advirable among the different counties, it has been deemed better to receive applications, from time to time, and authorize the case as they were wanted. In this way, a less sam as lain on hand comparatively unproductive, and pplicants have generally been supplied when they estred assistance.

The appropriations from this fund, had for several versal invariably averaged its revenue also

the appropriations from this fund, had for several years invariably exceeded its revenues, although they had been estimated with a good dogree of certainty, until the expiration of this year, when the books of this office show a balance in the treasury belonging to this fund of \$5,356 21. It is also gratifying to find that the amount transferred from the revenue for diminution on loans, for less

also gratifying to find that the amount transferred from the revenue for diminution on loans, is far less than tormerly, and less than on any preceding year, being \$1,982, as above stated.

The statement also shows a decreasing list of the unsold property, which the commissioners had been compelled to bid in for the State. Several of the purchases thus made have been disposed of the past year. The sfiairs of this fund are generally well conducted by the respective commissioners, and appear to be in a seuna and presperous condition. Its net reverue equals an interest of 64 to 64 per cent, which cannot, perhaps, see said of any other like fund, unfer State management, since the organization of the government. The precise revenue of this fund for the year ending 30th September, 1850, was \$251,823 55; and for the year ending 30th September, 1851, it was \$258,220 34.

Premiss Bid in 1902 the State by the Commendance.

PREMISES BID IN FOR THE STATE BY THE COMMISSIONERS OF THE U S. DEPOSITE FUND, UNDER FORECLESCER OF MONTORIES, WHICH REMAINED UNDER ON THE SOTIS STREET, 1801.

Principal \$500 00 275 00 370 00 460 00 1 000 00 800 00 560 00 \$2,896,449 T2 1850 3,109 28